31

32

1

BEFORE THE WESTERN WASHINGTON GROWTH MANAGEMENT HEARINGS BOARD

CLARK COUNTY NATURAL RESOURCES COUNCIL and FUTUREWISE,

Case No. 09-02-0002

AMENDED FINAL DECISION

**AND ORDER** 

Petitioners,

1 Cuttorioi

٧.

CLARK COUNTY,

Respondent,

And,

JOHN AND GEORGIANA WARTA, GREEN ARBOR DEVELOPMENT, INC., MATTHEW and DENISE HOUGHTON, RICHARD W. SCHWARZ, WALTER O. SCHWARZ, JONATHAN and VICTORIA SCHWARZ,

Intervenors.

# I. SYNOPSIS

The Board finds that CCNRC and Futurewise, as to Issue 1 and the Warta de-designation portion of Issue 2, and Futurewise as to the Schwarz de-designation portion of Issue 2, have sustained their burden of proof to establish the County's actions were clearly erroneous. Additionally, the Board determines that the County's actions warrant a finding of invalidity.

#### II. PROCEDURAL HISTORY

Clark County Natural Resources Council (CCNRC) and Futurewise (collectively Petitioners) filed a Petition for Review (PFR) on February 12, 2009. The PFR challenges two provisions of Ordinance No. 2008-12-15 (the Ordinance), entitled *Comprehensive Plan and UDC Amendments*. John and Georgiana Warta and Green Arbor Development, Inc. (Warta), Matthew and Denise Houghton (Houghton) and Richard W. Schwarz, Walter O. Schwarz,

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 1 of 32 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

Jonathan and Victoria Schwarz (Schwarz Family) subsequently sought and were granted the right to intervene. CCNRC's Motion to Dismiss that portion of its Issue 2 as it related to the Schwarz properties was granted. Motions to Dismiss were filed by Warta, Houghton, Schwarz and the County, all of which were denied.

The Hearing on the Merits was held on July 1, 2009. The Petitioners appeared through their attorney, Robert A. Beattey. The County appeared through its attorney, Christine M. Cook. Intervenor Warta was represented by LeAnne M. Bremer. Intervenor Houghton was represented by Randall B. Printz. The Schwarz Family Intervenors were represented by Michael J. Wynne. Board members James McNamara, Nina Carter and William Roehl were present with Mr. Roehl presiding.

# **III. BURDEN OF PROOF**

For the purposes of board review of the comprehensive plans and development regulations adopted by local government, the GMA establishes three major precepts: a presumption of validity; a "clearly erroneous" standard of review; and a requirement of deference to the decisions of local government.

Pursuant to RCW 36.70A.320(1), comprehensive plans, development regulations and amendments to them are presumed valid upon adoption:

Except as provided in subsection (5) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.

The statute further provides that the standard of review is whether the challenged enactments are clearly erroneous:<sup>4</sup>

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

August 10, 2009 Page 2 of 32 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

hone: 360-586-0260 Fax: 360-664-8975

29

<sup>&</sup>lt;sup>1</sup> Order Granting Intervention to John and Georgiana Warta and Green Arbor Development, Inc. (March 5, 2009); Order Granting Intervention to Richard W. Schwarz, Walter O. Schwarz, Jonathan and Victoria Schwarz (April 6, 2009); Order Granting Intervention to Matthew Houghton and Denise Houghton, husband and wife (March 17, 2009).

<sup>&</sup>lt;sup>2</sup> Order Granting Motion To Dismiss, March 18, 2009.

<sup>&</sup>lt;sup>3</sup> Order Denying Motions To Dismiss, April 23, 2009.

<sup>&</sup>lt;sup>4</sup> RCW 36.70A.320(3).

The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.

In order to find the County's action clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been made." <sup>5</sup>

Within the framework of state goals and requirements, the boards must grant deference to local governments in how they plan for growth.<sup>6</sup>

In recognition of the broad range of discretion that may be exercised by counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter, the legislature intends for the boards to grant deference to the counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter. Local comprehensive plans and development regulations require counties and cities to balance priorities and options for action in full consideration of local circumstances. The legislature finds that while this chapter requires local planning to take place within a framework of state goals and requirements, the ultimate burden and responsibility for planning, harmonizing the planning goals of this chapter, and implementing a county's or city's future rests with that community.

The burden is on Petitioners to overcome the presumption of validity and demonstrate that any action taken by the County is clearly erroneous in light of the goals and requirements of Ch. 36.70A RCW (the Growth Management Act). Where not clearly erroneous, and thus within the framework of state goals and requirements, the planning choices of local government must be granted deference.

### IV. ISSUES TO BE DISCUSSED

**Issue 1:** By amending the Clark County Code to allow "facilities that repair, maintain or refurbish or manufacture component parts for equipment utilized for agricultural, forest and other resource based industries..." to be located in resource lands, has Clark County failed to adopt comprehensive plan provisions and development regulations to conserve natural resource lands and protect them from incompatible development and otherwise failed to

August 10, 2009 Page 3 of 32

Phone: 360-586-0260 Fax: 360-664-8975

<sup>&</sup>lt;sup>5</sup> Dept of Ecology v. PUD1, 121 Wn2d 179,201 (1993).

<sup>&</sup>lt;sup>6</sup> RCW 36.70A.3201.

<sup>&</sup>lt;sup>7</sup> RCW 36.70A.320(2). AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

comply with RCW 36.70A.020 (1-2, 5, 8-10, 12), 36.70A.040, 36.70A.050, 36.70A.060, 36.70A.070, 36.70A.170, and 36.70A.177? (Ordinance 2008-12-15 § 7(3)). (Footnote 9)

**Issue 2:** Whether Clark County's de-designation of agricultural land in applications CPZ2008-00001 (Warta) and CPZ2008-00005 (Schwarz) violate RCW 36.70A.020 (1-2, 5, 8-10, 12), 36.70A.050, 36.70A.060, 36.70A.070, 36.70A.170, and 36.70A.177? (Ordinance 2008-12-15 §§ 2(1) and 3(1), respectively).

**Issue 3:** Whether the agricultural land de-designations and the Clark County Code (Footnote 9) amendment warrant a finding of invalidity?

#### V. DISCUSSION OF THE ISSUES

The Petitioners' PFR challenges Clark County's adoption of Ordinance No. 2008-12-15 which, in regards to the present matter, amended the County's Comprehensive Plan and Unified Development Code (UDC). Issue 1 is based on Clark County's amendment to UDC 40.210.010 which permitted commercial and industrial uses; specifically "facilities that repair, maintain, or refurbish or manufacture component parts for equipment utilized for agricultural, forest, and other resource based industries" to be located on natural resource lands. Issue 2 is based on Clark County's site-specific de-designation of two parcels of land, the Warta Parcel and the Schwarz Parcel, from agricultural lands of long-term commercial significance to rural residential zoning.

Petitioners contend by this action Clark County violated various goals and requirements of the GMA including, but not limited to, those provisions related to the maintenance and conservation of natural resource lands.

As permitted by WAC 242-02-270(3)(a), the Board limited the intervenors participation in this matter. Intervenor Houghton was permitted to submit argument only in regards to Issue 1. Intervenors Warta, Green Arbor Development and Schwarz Family were permitted to submit argument only in regards to Issue 2.

#### **Issue 1: UDC Amendment**

The Ordinance amended the County's UDC section 40.210.010, Forest, Agriculture, and Agricultural-Wildlife District table 40.210.010-1, footnote number 9 (hereinafter "Footnote 9") . as follows:<sup>8</sup>

Commercial uses supporting resource uses, such as parking<sup>9</sup>, first stage processing and processing which provides value added to resource products <u>as well as facilities that repair, maintain or refurbish or manufacture component parts for equipment utilized for agricultural, forest and other resource based industries including wind, hydro and solar generation, but specifically not including the establishment or siting of a wind, hydro or solar generating facility. Chippers, pole yards, log sorting and storage, <u>antique agricultural storage or display</u>, temporary structures(sic) for debarking, accessory uses including but not limited to scaling and weigh operations, temporary crew quarters, storage and maintenance facilities, disposal areas, sawmills producing ten thousand (10,000) board feet per day or less, and other uses involved in the harvesting of forest products.(amendatory language underlined).</u>

Petitioners argue this UDC amendment would allow, for example, logging equipment factories or diesel engine plants of any size to be located on agricultural lands.<sup>10</sup> Their position is that the amendment is so broadly written that it could "undermine the GMA mandate to conserve agricultural lands for the maintenance and enhancement of the farm industry".<sup>11</sup> Furthermore, Petitioners assert the language would allow uses unrelated to agricultural land and uses in violation of RCW 36.70A.177(3)(b)(i) and (ii).<sup>12</sup> These provisions read as follows:

- (3) Accessory uses allowed under subsection (2)(a) of this section shall comply with the following:
- (a) Accessory uses shall be located, designed, and operated so as to not interfere with, and to support the continuation of, the overall agricultural use of the property and neighboring properties, and shall comply with the requirements of this chapter;

Page 5 of 32

Western Washington

<sup>&</sup>lt;sup>8</sup> Ordinance No. 2008-12-15. Amendatory language underlined.

<sup>&</sup>lt;sup>9</sup> The adopted language of Footnote 9 refers to "parking" while the word used elsewhere in the Record is "packing". One would assume the latter is correct based on context.

<sup>&</sup>lt;sup>10</sup> Petitioners' HOM Brief, at 9.

<sup>&</sup>lt;sup>11</sup> Petitioners' HOM Brief, at 11.

<sup>&</sup>lt;sup>12</sup> Petitioners' HOM Brief, at 13. AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009

- (b) Accessory uses may include:
- (i) Agricultural accessory uses and activities, including but not limited to the storage, distribution, and marketing of regional agricultural products from one or more producers, agriculturally related experiences, or the production, marketing, and distribution of value-added agricultural products, including support services that facilitate these activities; and
- (ii) Nonagricultural accessory uses and activities as long as they are consistent with the size, scale, and intensity of the existing agricultural use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or supportive uses, shall not be located outside the general area already developed for buildings and residential uses and shall not otherwise convert more than one acre of agricultural land to nonagricultural uses; and (1)(a) Except as provided in \*RCW 36.70A.1701, each county that is required or chooses to plan under RCW 36.70A.040, and each city within such county, shall adopt development regulations on or before September 1, 1991, to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

The County first argues that Petitioners abandoned alleged violations of any statute other than RCW 36.70A.177.13 In regards the substance of Footnote 9, Clark County argues it was adopted "precisely to maintain and enhance the agricultural industry as it exists in Clark County."<sup>14</sup> In support of that statement, Clark County refers to the Planning Commission debate which it characterizes as focusing " . . . on the needs of the agricultural industry in Clark County for support services, including the manufacture and repair of parts for machinery that supports resource uses". 15 "Testimony before the County concerned the disappearance of needed agricultural infrastructure and support 16

Intervenor Houghton focuses on the first sentence of Goal 8 of the GMA:<sup>17</sup>

Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries.

32

Page 6 of 32

Western Washington

<sup>&</sup>lt;sup>13</sup> County HOM Brief, at 8.

<sup>&</sup>lt;sup>14</sup> Respondent Clark County's Prehearing Brief at 8

<sup>&</sup>lt;sup>15</sup> Id. at 8, 9

<sup>&</sup>lt;sup>16</sup> Id at 9

<sup>&</sup>lt;sup>17</sup> RCW 36.70A.020(8) AMENDED FINAL DECISIÓN AND ORDER Case No. 09-2-0002 August 10, 2009

Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.

In addition, Houghton states that the amendment of Footnote 9 merely served to clarify the meaning of the language of the footnote as originally written, language which was initially adopted in 1995 and is thus presumed valid.<sup>18</sup>

Houghton further suggests that the Washington State Supreme Court's *City of Redmond* decision supports the County's adopted language as it serves to "ensure the viability of the resource-based industries". <sup>19</sup> They also argue that Footnote 9 is consistent with WAC 365-195-825 as it fulfills Clark County's obligation to implement development regulations designed to assure natural resource lands will remain available to be used for commercial production. <sup>20</sup>

Finally, Houghton states that Footnote 9 represents an innovative technique allowed by RCW 36.70A.177 which will not result in the removal of any land from the County's supply of land to support and protect agricultural and other resource lands.<sup>21</sup>

In regards the allegation by the County and Schwarz that Petitioners abandoned specific GMA section violations originally alleged in their Petition for Review, the Petitioners state they specifically referenced RCW 36.70A.177 in their Prehearing Brief and that RCW 36.70A.020(8) and 36.70A.060 were referenced in the *Lewis County* decision quoted in their briefs. Additionally, the Petitioners specifically referenced alleged violations of numerous GMA goals RCW 36.70A.020, 36.70A.040, 36.70A.060, 36.70A.170 and 36.70A.177 at oral argument. Petitioners also state that it is important to note the overlap of various sections of the GMA and the numerous sections that are implicated when alleging noncompliance. <sup>23</sup>

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 7 of 32

Fax: 360-664-8975

<sup>&</sup>lt;sup>18</sup> Houghton's Response Brief at 4.

<sup>&</sup>lt;sup>19</sup> King County v. Central Puget Sound Growth Mgmt. Hearings Board, 142 Wn. 2d 543.

<sup>&</sup>lt;sup>20</sup> Houghton at 5.

<sup>&</sup>lt;sup>21</sup> Id at 7.

Petitioners Reply Brief at 4.

<sup>3</sup> I4

# **Board Discussion**

Initially, it is beneficial to restate that the GMA places the burden on Petitioners to overcome the presumption of validity afforded to the County's actions. RCW 36.70A.320(1), .320(2). In order to satisfy this burden and overcome the presumption of validity, the Petitioners must demonstrate that the County's action was clearly erroneous in view of the entire record and in light of the goals and requirements of the GMA. RCW 36.70A.320(3).

The County's initial argument is that the Petitioners abandoned any alleged GMA violations other than of RCW 36.70A.177. However, the Board finds that the Petitioners' arguments were sufficiently clear to alert the parties, and the Board, of their position that the Footnote 9 amendments violated numerous RCW 36.70A.020 goals, 36.70A.040, 36.70A.060, 36.70A.170 and 36.70A.177. Those sections were in fact referenced either directly, by implication, or by citation in their briefing, and at oral argument.<sup>24</sup>

The Board's analysis begins with RCW 36.70A.020(8):

Natural resource industries. *Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries.* Encourage the conservation of productive forest lands and productive agricultural lands, and discourage incompatible uses.

RCW 36.70A.060(1)(a) provides a more specific mandate:

... each county that is required or chooses to plan ... shall adopt development regulations ... to assure the conservation of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

Finally, RCW 36.70 A.177(1) authorizes counties to choose how best to conserve designated agricultural lands by providing: (in relevant part)

A county or city may use a variety of innovative zoning techniques in areas designated as agricultural lands of long-term commercial significance under RCW 36.70A.170. The innovative zoning techniques should be designed to conserve agricultural lands and encourage the agricultural economy.

Phone: 360-586-0260 Fax: 360-664-8975 It must be noted that the language of Footnote 9, prior to the 2009 amendment, authorized "commercial uses supporting resource uses", and that language has been codified in one form or another since 1995. It is thus presumed valid and a challenge to this language would be untimely. If the added language merely clarifies the original, it too would be presumed valid.

Having said that, the Board cannot agree with Houghton's assertion that the amendment merely serves to clarify the original language. The clause "as well as" can only be interpreted as "and" or "also". Thus, the clause "as well as facilities that repair, maintain or refurbish or manufacture component parts for equipment utilized for agricultural, forest or other resource-based industries including wind, hydro and solar generation . . . "is interpreted to be an additional listing or category of uses allowed within the zones to which Footnote 9 applies. Furthermore, the original language referred to "commercial uses supporting resource uses, such as parking, first stage processing and processing which provides value added to resource products". "Facilities that repair, maintain, refurbish or manufacture component parts for equipment utilized" cannot be interpreted to be included within the meaning or parameters of "parking, first stage processing and processing which provides value added". <sup>25</sup>

Having reached that conclusion, does the amended language of Footnote 9 satisfy the GMA mandate to conserve agricultural lands and encourage the agricultural economy? Clearly, the GMA allows counties to employ "innovative" zoning techniques in agriculturally designated areas with the caveat that such techniques should be designed to conserve agricultural lands and encourage the agricultural economy. <sup>26</sup> Furthermore, non-agricultural uses within designated agricultural resource lands should be limited to lands with poor soils or otherwise unsuitable for agricultural production. <sup>27</sup>

<sup>&</sup>lt;sup>25</sup> The full language of Footnote 9 is Ex. 24 as referenced at Section 7, pg. 7, of the Ordinance, (Ex. 1).

<sup>&</sup>lt;sup>26</sup> RCW 36.70A.177(1). <sup>27</sup> RCW 36.70A.177(1).

Some of the uses contemplated by Footnote 9 are agriculturally related (facilities that repair, maintain or refurbish or manufacture component parts for equipment utilized for agricultural... industries), while others are not (facilities that repair, maintain or refurbish or manufacture component parts for equipment utilized for forest and other resource-based industries including wind, hydro and solar generation).

Of significance is the type of innovative zoning techniques suggested for agricultural lands set forth in RCW 36.70A.177(2): (Emphasis added)

- (a) Agricultural zoning, which limits the density of development and restricts or prohibits nonfarm uses of agricultural land and may allow accessory uses, including nonagricultural accessory uses and activities, that support, promote, or sustain agricultural operations and production, as provided in subsection (3) of this section;
- (b) Cluster zoning, which allows new development on one portion of the land, leaving the remainder in agricultural or open space uses;
- (c) Large lot zoning, which establishes as a minimum lot size the amount of land necessary to achieve a successful farming practice;
- (d.) Quarter/quarter zoning, which permits one residential dwelling on a one- acre minimum lot for each one-sixteenth of a section of land; and.
- (e) Sliding scale zoning, which allows the number of lots for single-family residential purposes with a minimum lot size of one acre to increase inversely as the size of the total acreage increases.

All of these techniques are designed to minimize the built environment on the land-presumably to comply with the RCW 36.70A.177(1) goal of conserving agricultural lands and encouraging the agricultural economy.

Clark County and Houghton stress that the types of uses authorized by Footnote 9 are exactly the types of uses contemplated by RCW 36.70A.177: "uses that encourage the agricultural economy" and that "support . . . or sustain agricultural operations and production". That could be true, depending on the size and scale of the use as well as its nature (whether it is related to agriculture or not). Contrast the size and scale of a business

 which maintains or refurbishes tractors with the size and scale of an industry which manufactures diesel engines as a component part for tractors.

Clark County and Houghton, while referring to some of language of RCW 36.70A.177, fail to address RCW 36.70A.177(2)(a) and 36.70A.177(3). RCW 36.70A.177(2)(a) suggests density of development should be limited and nonfarm uses of agricultural land should be restricted or prohibited. Furthermore, RCW 36.70A.177(2)(a) allows for both agricultural and non-agricultural uses within agricultural zones, but only as "accessory uses". The uses contemplated by the amendments to Footnote 9 do include both agricultural and nonagricultural uses, but they are not limited by the language to "accessory uses" and are not limited to uses and activities that "support, promote or sustain agricultural operations and production".

RCW 36.70A.177(2) refers to 36.70A.177(3) in regards the allowance of accessory uses:

Accessory uses allowed under subsection (2) (a) of this section shall comply with the following:

- (a) Accessory uses shall be located, designed, and operated so as to not interfere with, and to support the continuation of, the overall agricultural use of the property and neighboring properties, and shall comply with the requirements of this chapter;
- (b) Accessory uses may include:
- (i) Agricultural accessory uses and activities, including but not limited to the storage, distribution, and marketing of regional agricultural products from one or more producers, agriculturally related experiences, or the production, marketing, and distribution of value- added agricultural products, including support services that facilitate these activities; and
- (ii) Nonagricultural accessory uses and activities as long as they are consistent with the size, scale, and intensity of the existing agricultural use of the property and the existing buildings on the site. Nonagricultural accessory uses and activities, including new buildings, parking, or support of uses, shall not be located outside the general area already developed for buildings and a residential uses and shall not otherwise convert more than one acre of agricultural land to nonagricultural uses (RCW 36.70A.177(3) in relevant part)

The agricultural accessory uses contemplated by the Footnote 9 amendments do not meet the RCW 36.70A.177(3)(a) and (b)(i) requirements. There is no restriction reflected in the record requiring that the location, design, and operation not interfere with, and in fact support, the overall agricultural use of the property. Furthermore, the types of agricultural uses allowed must be read in the context of the list of agricultural uses contemplated by RCW 36.70A.177(b)(i). Thus, although the list is not exclusive, allowed agricultural uses must be related to the types of activities contemplated by the list and must be limited to uses accessory in nature.

The contemplated nonagricultural uses do not meet the RCW 36.70A.177(3)(a) and 36.70A(3)(b)(ii) requirements. Again, there is nothing in the record which would require that these uses be consistent with size, scale and intensity of the existing agricultural use of the property and the existing buildings on site. There is nothing in the record which would require that these uses be located within the general area developed for buildings and residential uses. Nor is there a one acre limitation on conversion of agricultural land. Finally, there is no requirement that the location, design, and operation not interfere with, and in fact support, the overall agricultural use of the property.

RCW 36.70A.177(2)(a) allows nonagricultural accessory uses that support, promote, or sustain agricultural operations and production. Clark County and Houghton stress the types of uses authorized by Footnote 9 are exactly the types of uses contemplated by that statute: "uses that encourage the agricultural economy" and that "support . . . or sustain agricultural operations and production". However, it cannot be said that the repair, maintenance, refurbishment or manufacture of component parts for equipment utilized for forest and other resource-based industries, including wind, hydro and solar generation, would support, promote or sustain agricultural operations and production.

"Agricultural land " is defined as land primarily devoted to the commercial *production* of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees, finfish in upland hatcheries, or

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 12 of 32 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

Phone: 360-586-0260 Fax: 360-664-8975

 livestock, and that has long-term commercial significance for agricultural production.<sup>28</sup> Many of the types of agricultural uses contemplated by the Footnote 9 amendments are only indirectly related to production. The nonagricultural uses are unrelated to production and do not serve to support, promote, or sustain operations or production. As the size or scale of those uses increases, land is no longer primarily devoted to production. Also, as the size and scale increase, the result would necessarily be the elimination of lands actually devoted to *production* of agricultural products.

If, as the County suggests, there is a concern for maintaining agricultural support services, that concern can be met by limiting non-production uses to those which are related to agriculture and by limiting their size and scale; that is, by limiting them to accessory uses as contemplated by RCW 36.70A.177.<sup>29</sup>

**Conclusion:** The Petitioners have met their burden of proof. The Board finds that the amendments to Footnote 9 violate RCW 36.70A.177, 36.70A.020(1),(2), and (8), and 36.70A.060.

# Issue 2: Agricultural Land De-Designation.

Futurewise, as to the Schwarz and Warta properties, and CCNRC as to the Warta properties, <sup>30</sup> state the County violated the GMA's mandate to conserve agricultural lands by de-designating these lands. <sup>31</sup> Petitioners assert that the County previously designated the properties in question as agricultural lands of long-term commercial significance and, having done so, it is conclusively established that the County followed a reasoned process and

<sup>29</sup> The Board notes that Clark County's Jeff Niten of Community Planning referred to the uses contemplated by the amendment to Footnote 9 as" accessory uses" during a presentation to the Planning Commission on October 16, 2008. Ex. 12, pg 3. However, the Record does not support a finding that the uses are to be accessory in nature. The discussion of the proposed amendment at the Planning Commission illustrates the concern over the potentially unlimited size and scale of allowed uses under the amendment. Ex. 12.

<sup>30</sup> CCNRC's Motion to Dismiss its challenge to the de-designation of the Schwarz properties was granted by

<sup>30</sup> CCNRC's Motion to Dismiss its challenge to the de-designation of the Schwarz properties was granted by order dated March 18, 2009. Any reference to "Petitioners" in this FDO is a reference only to Futurewise when addressing the Schwarz properties.

<sup>31</sup>Futurewise HOM Brief, at 13 (citing RCW 36.70A.020(8) and RCW 36.70A.060(1)(a)).

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

August 10, 2009 Page 13 of 32 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260 Fax: 360-664-8975

<sup>&</sup>lt;sup>28</sup> RCW 36.70A.030(2).

considered the RCW 36.70A.020(8) mandatory goal and the designation requirements enumerated by the Washington Supreme Court.<sup>32</sup> They argue the record contains no information regarding substantive changes that would require reconsideration of the designation.

Petitioners point to the Washington Supreme Court three-part test set forth in *Lewis County vs. Western Washington Growth Management Hearings Board*<sup>33</sup> for identifying agricultural land of long-term commercial significance and argue the record contains no consideration of the *Lewis County* criteria.<sup>34</sup> Furthermore, they argue the de-designated parcels continue to satisfy all three factors set forth in the *Lewis County* decision.<sup>35</sup> Finally, Petitioners state that the GMA mandates preservation of productive farmland <u>areas</u> and that a parcel by parcel approach to de-designation is clearly inappropriate, quoting the Washington Supreme Court: "We hold land is 'devoted' to agricultural use under RCW 36.70A.030 if it is in an *area* where the land is actually used or capable of being used for agricultural production".<sup>36</sup>

The County asserts there is substantial evidence in the record to support its decision and that the Board is bound by the Supreme Court's *City of Arlington*<sup>37</sup> decision and RCW 36.70A.3201.<sup>38</sup>

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

August 10, 2009 Page 14 of 32

<sup>&</sup>lt;sup>32</sup> Futurewise HOM Brief, at 15.

<sup>&</sup>lt;sup>33</sup> 157 Wn. 2d 488 (2006).

<sup>&</sup>lt;sup>34</sup> Futurewise HOM Brief, at 15-16.

<sup>&</sup>lt;sup>35</sup> Futurewise HOM Brief, at 16.

<sup>&</sup>lt;sup>36</sup> Futurewise HOM Brief, at 14-15 (citing City of Redmond v. Central Puget Sound Growth Management Hearings Board, 136 Wn2d 38,53 (1998)).

<sup>&</sup>lt;sup>37</sup> City of Arlington v. Central Puget Sound Growth Management Hearings Board, 164 Wn.2d 768. In that decision, the County argues that when the record indicates a locality considered substantial evidence bearing on factors lawfully relevant to its decision, the Hearings Board must defer to the County.

<sup>38</sup> County Response Brief, at 11, citing *Arlington* and RCW 36.70A.3201, which provides: "... the legislature

<sup>&</sup>lt;sup>38</sup> County Response Brief, at 11, citing *Arlington* and RCW 36.70A.3201, which provides: "... the legislature intends that the boards apply a more deferential standard of review to actions of counties and cities than the preponderance of the evidence standard provided for under existing law. In recognition of the broad range of discretion that may be exercised by counties and cities consistent with the requirements of this chapter, the legislature intends for the boards to grant deference to counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter. Local comprehensive plans and development regulations require counties and cities to balance priorities and options for action in full consideration of local circumstances." RCW 36.70A.3201, in part.

Warta similarly stresses the standard of review as laid out in *City of Arlington*<sup>39</sup> and points out in detail what it refers to as overwhelming evidence in the record supporting the County's decision to re-designate the Warta properties from Ag 20 to Rural 5.<sup>40</sup> Warta argues the Petitioners merely suggest there is also evidence in the record which would support a contrary decision by the County and suggests that the "relevant question is whether the Board (the Board of County Commissioners) relied on evidence addressing the legal criteria supporting its decision". <sup>41</sup> Warta further argues Petitioners failed to timely challenge the rezone portion of the County's decision and it is therefore a final decision. <sup>42</sup> In reply to Petitioners' assertion that the GMA requires preservation of areas of productive farmland, the County suggests that is an "interesting theory" but not a requirement of the GMA.<sup>43</sup>

The County attempts to reargue its motion by which it sought dismissal of Futurewise's challenge as related to Schwarz. It states that the decision to change these properties from agriculture to rural was made in 1998, that a mapping error occurred and consequently the change was not reflected on the County maps, and that the Ordinance reflected that earlier decision.

Schwarz similarly argues that the Ordinance merely corrected a 1998 mapping error. In addition, Schwarz argues their properties do not meet the *Lewis County* test for defining agricultural lands.

In response, the Petitioners suggest that Warta's argument would require a ruling in favor of the County if there is any evidence whatsoever to support its decision.<sup>44</sup> Their position is that the Board must find that the evidence relied on by the County supports the conclusion

August 10, 2009 Page 15 of 32

<sup>&</sup>lt;sup>39</sup> Intervenors Warta and Green Arbor Development, Inc.'s Prehearing Brief at 8.

<sup>&</sup>lt;sup>40</sup> Id. at 11.

<sup>&</sup>lt;sup>41</sup> Id. at 11.

<sup>&</sup>lt;sup>42</sup> Id. at 4.

<sup>&</sup>lt;sup>43</sup> Respondent Clark County's Reply Brief at 11.

<sup>&</sup>lt;sup>44</sup> Petitioners' Reply Brief at 9 AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

that the land does not have long-term commercial significance and they allege there is no such finding in the Ordinance.<sup>45</sup>

Futurewise responds that, as to the Schwarz properties, the Board's earlier order denying the County's and Schwarz's motions to dismiss disposed of the issue regarding a mapping error.

# **Board Discussion**

# Warta Properties

The Warta properties consist of three parcels totaling approximately 60 acres. <sup>46</sup> Intervenor Warta requested the County amend the Comprehensive Plan and applicable zoning from Resource Lands Agriculture with R-20 zoning to Rural 5 and R-5 zoning. Following review by County planning staff and the Planning Commission, the Board of County Commissioners adopted the Ordinance which granted the requested amendments.

Two of the Warta properties are improved with single-family residences and outbuildings, the third is unimproved. Two of the parcels, totaling 55 acres, currently support the grazing of cattle and qualify for a reduced tax assessment based on the agricultural use. Soil quality is low to moderately high, drainage varies from well-drained to poor, water capacity is moderate and permeability is moderate to very slow. The USDA Soil Conservation Service's survey classifies the soil type as moderately productive. Strawberries, cane fruits and tree fruits can be grown on the soils without irrigation. The soils are not classed as "prime" agricultural soil. The properties are in close proximity to areas developed for rural residences and the property is immediately adjacent to the Washougal Urban Growth Area. The majority of the properties nearby, whether zoned R-5 or Ag-20, have been subdivided to 5 and 10 acre parcels. Notwithstanding the subdivision of properties in the

Growth Management Hearings Board 319 7th Avenue SE, Suite 103

> Phone: 360-586-0260 Fax: 360-664-8975

Western Washington

<sup>&</sup>lt;sup>45</sup> Petitioners' Reply Brief at 9, 10.

<sup>&</sup>lt;sup>46</sup> Two 5 acre parcels and one of 50 acres.

<sup>&</sup>lt;sup>47</sup> This Board found in Case No. 07-2-0027 that the Washougal Urban Growth Area expansion did not comply with the GMA and was invalid. That decision was reversed by the Clark County Superior Court. The Superior Court decision is now on appeal.

3

4

30

31

32

area, lands to the North and East of the Warta properties are designated agriculture with Ag-20 zoning.48

It is appropriate to first address the Warta argument that the rezone portion of the County's decision is a final land use decision and this Board lacks jurisdiction to consider it. Warta cites Wenatchee Sportsman for support of their argument. 49 It is true that the Growth Management Hearings Boards do not have jurisdiction over site-specific rezone proposals when they are already authorized by a comprehensive plan. Such challenges are to be filed under LUPA.<sup>50</sup> However, in the matter before us, the County had to amend its comprehensive plan as well as the applicable zoning.<sup>51</sup> In that situation, the Growth Management Hearings Boards do have jurisdiction to address both amendments: the comprehensive plan and zoning changes.<sup>52</sup>

The preservation of agricultural lands and the agricultural industry receives particular attention in the Growth Management Act. RCW 36.70A.020(8) is the natural resource industries goal:

Maintain and enhance natural resource-based industries, including . . . agricultural . . . industries. Encourage the conservation of productive . . . agricultural lands, and discourage incompatible uses.

RCW 36.70A.170(1)(a) required counties to designate agricultural lands on before September 1, 1991. That designation requirement was the first mandated step for counties to accomplish, prior to adoption of comprehensive plans and the establishment of urban

<sup>52</sup> See Wenatchee Sportsman and Woods v. Kittitas County, 162 Wn2d 597 (2007).

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

August 10, 2009 Page 17 of 32

Western Washington Growth Management Hearings Board 319 7th Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

<sup>&</sup>lt;sup>48</sup> The information set forth in this paragraph is taken from the County Planning Staff Report dated October 23, 2008. Ex. 15, pgs 1-12.

Wenatchee Sportsman v. Chelan County, 141 Wn2d 169 (2000).

<sup>&</sup>lt;sup>50</sup> Chapter 36.70B RCW.

<sup>&</sup>lt;sup>51</sup> Ex. 1 at pg. 3 of 8: "The Clark County 20- Year Comprehensive Growth Management Plan Map Designation and corresponding Zoning Map for that certain property . . . (Warta) . . . is hereby amended from Resource Lands Agriculture (AG-20) to Rural 5 (R-5) . . .

growth areas. "The significance of agricultural land preservation in the GMA can be seen in the very timing of key actions mandated in the statute." <sup>53</sup>

The purpose of setting aside natural resource lands, including agricultural lands, was clearly elucidated by the *Redmon*d court:

Natural resource lands are protected not for the sake of their ecological role *but* to ensure the viability of the resource-based industries that depend on them. Allowing conversion of resource lands to other uses by allowing incompatible uses nearby impairs the viability of the resource industry.<sup>54</sup>

The GMA definition of agricultural lands is found at RCW 36.70A.030 (2):

"Agricultural land" means land primarily devoted to the commercial production of horticultural, viticultural, floricultural, dairy, apiary, vegetable, or animal products or of berries, grain, hay, straw, turf, seed, Christmas trees . . . finfish in upland hatcheries, or livestock, and that has long-term commercial significance for agricultural production.

"Long-term commercial significance" is defined at RCW 36.70A.030 (10):

"Long-term commercial significance" includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the land's proximity to population areas, and the possibility of more intense uses of the land.

The *Redmond* court specifically addressed the "devoted to" language used in RCW 36.70A.030 (2): (Emphasis added)

We hold land is "devoted to" agricultural use under RCW 36.70A.030 if it is in an *area* where the land is actually used or capable of being used for agricultural production. . . . While the land use on the particular parcel and the owner's intended use for the land may be considered along with other factors in the determination of whether a parcel is in an *area* primarily devoted to commercial agricultural production, neither current use nor landowner intent of a particular parcel is conclusive for purposes of this element of the statutory definition. <sup>55</sup>

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 18 of 32

City of Redmond v. Central Puget Sound Growth Management Hearings Board, 136 Wn2d 38,
 Redmond quoting Richard L. Settle and Charles G. Gavigan, The Growth Management Revolution in Washington: Past, Present, and Future, 16 U. Puget Sound L. Review 1141,1145 (1993).
 Redmond at 53.

Once agricultural lands have been designated under RCW 36.70A.170, RCW 36.70A.060(1) directs counties to adopt development regulations that "assure the conservation of agricultural lands". Additionally, RCW 36.70A.177, as discussed above, suggests counties employ innovative zoning techniques designed to "conserve agricultural land and encourage the agricultural economy".

Having said that, the GMA does not require that agricultural lands remain designated in perpetuity. Furthermore, the GMA does not delineate how a County is to determine that lands once designated as agriculture should then be de-designated. The analysis employed by the Boards and by the Washington Supreme Court has been to apply the same statutory criteria for purposes of de-designation used when designating such lands. <sup>56</sup> As stated in *Lewis County*, the legislature established that agricultural lands are those which (1) are not already characterized by urban growth, (2) are "primarily devoted to" commercial agricultural production, and (3) have "long-term commercial significance" for such production. <sup>57</sup> Land is primarily devoted to commercial agricultural production if it is in an area where the land is actually used or capable of being used for agricultural production. <sup>58</sup> Long-term commercial significance includes the growing capacity, productivity, and soil composition of the land for long-term commercial production, in consideration with the lands proximity to population areas, and the possibility of more intense uses of the land. <sup>59</sup>

What troubles the Board is that the almost pinpoint analysis of the Warta properties fails to focus on areas devoted to agricultural use and the needs of the agricultural industry within Clark County. The Board cannot fault Clark County for its staff analysis regarding the agricultural significance of the Warta properties in isolation. That analysis appears in a

Case No. 09-2-0002 August 10, 2009 Page 19 of 32

<sup>&</sup>lt;sup>56</sup> City of Redmond v. Central Puget Sound Growth Management Hearings Board, 136 Wn2d 38 (1998); City of Arlington v. Central Puget Sound Growth Management Hearings Board, 164 Wn2d 768; Karpinski, CCNRC and Futurewise v. Clark County (Amended Final Decision and Order, June 3, 2008) at 44.

Lewis County at 493.Lewis County at 493.

<sup>&</sup>lt;sup>59</sup> RCW 36.70A.020(2), 36.70A.020(10), *Lewis County* at 494. AMENDED FINAL DECISION AND ORDER

fifteen page staff report dated October 23, 2008.<sup>60</sup> In fact, the County's analysis substantially follows the Lewis County methodology for agricultural land designation. What it fails to do is to incorporate the *Redmond* decision's directives to "ensure the viability of the resource-based industries" and the need to consider areas of agricultural production, let alone the goal of RCW 36.70A.020(8) to "maintain and enhance natural resource-based industries".

Furthermore, the GMA mandates of RCW 36.70A.060 and .170 to designate and conserve agricultural lands must also be read in the context of the .020(8) goal. As our Supreme Court stated in a different context:

We are required to read legislation as a whole, and to determine intent from more than a single sentence. Effect should be given to all of the language used, and the provisions must be considered in relation to each other, and harmonized to ensure proper construction. 61

The Board finds that it must do just that. That is, seek to harmonize the various provisions of the GMA. How can a jurisdiction enhance natural resource-based industries and encourage the agricultural economy if it focuses solely on the characteristics of a parcel or a limited number of parcels of land?

Thus, in analyzing the County's decision to de-designate the Warta properties, the Board finds that the key question to be addressed is whether the de-designation decision can be made based on a parcel by parcel analysis or whether the analysis must be of a broader nature, an analysis encompassing an agricultural area.

The GMA emphasis is broader than conservation of parcels of agricultural land on a sitespecific basis. Rather, in order to preserve or foster the agricultural economy, one needs to focus on the agricultural industry as a whole. It would behoove the County, prior to further review of lands proposed for de-designation (or designation), to consider what area or areas

32

<sup>61</sup> King County v. Central Puget Sound Growth Management Hearings Board, 142.Wn2d 543, 560. AMENDED FINAL DECISION AND ORDER

Case No. 09-2-0002 August 10, 2009 Page 20 of 32

Western Washington Growth Management Hearings Board 319 7th Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953

Phone: 360-586-0260 Fax: 360-664-8975

should be included during review. The scope of that focus would be dictated by the nature of the agricultural activity conducted, or capable of being conducted, on the properties considered for de-designation.

The viability of the agricultural industry involves more than the mere conservation of land for production. There must be a significant base of land and production to support all of the agriculturally based businesses that are part of the industry, including processors, suppliers, shippers, cold storage plants, equipment repairers, and so on. In combination, the lands, producers and support businesses constitute the agricultural economy. As stated above "natural resource lands are protected . . . to ensure the viability of the natural resourcebased industry that depends on them". If a jurisdiction fails to take a broader view, and chooses to de-designate agricultural lands on a parcel by parcel basis, it is inevitable that the jurisdiction eventually reaches a point where the agriculture production base decreases to such an extent that elements of the support industry cannot survive economically. That process continues as the production side of the industry is unable to obtain services, thus leading to further conversion of agricultural lands to non-agricultural uses. The long-term result is the disappearance of the agricultural industry. Unfortunately, Clark County's analysis focuses almost exclusively on the land itself and fails to focus as well on the needs of the agricultural economy. That analysis fails to consider the goal of RCW 36.70A.020(8) or the requirements of RCW 36.70A.60 and 36.70A.170. As stated by the Supreme Court: (Emphasis added)

"The County is to conserve agricultural land in order to maintain and enhance the agricultural industry and discourage incompatible uses". 62

Maintenance and enhancement of the agricultural industry cannot be accomplished employing a parcel by parcel analysis.

"The Legislature intended the *land use planning process of GMA to be area-wide in scope* when it required development of specific plans for natural resource lands and, later, comprehensive plans." <sup>63</sup>

<sup>63</sup> Redmond v. CPSGMHB, 136 Wn2d 38, 52.

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 21 of 32 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

hone: 360-586-0260 Fax: 360-664-8975

 $<sup>^{62}</sup>$  King County v. Central Puget Sound Growth Management Hearings Board, 142 Wn2d 543, 557.

Conclusion: The Petitioners have met their burden of proof. The Board finds in dedesignating the Warta properties from agriculture to rural, Clark County failed to consider areas devoted to agricultural use, the viability of the agriculture industry or the goal to maintain and enhance the agricultural-based industry and thus violated RCW 36.70A.020(2) and (8), RCW 36.70A.060 and RCW 36.70A.170.

# Schwarz Properties

The bases for both the County and Schwarz Family motions to dismiss were that the redesignation of the Schwarz Family properties occurred in 1998 with Clark County's adoption of Ordinance No. 1998-07-19. The moving parties argued notice of adoption of the 1998 Ordinance was published on August 3, 1998 and any challenge should have been filed within 60 days of that publication. This argument was fully addressed by the Board previously and found to be without merit. 64 "The 2008 review and legislative decision clearly resulted in redesignation of the Schwarz Family properties, was required to comply with the GMA, and challenges based on a failure to designate in a GMA compliant manner are now appropriate."65

The Schwarz application in 2008 was processed as a request to re-designate their properties from Resource Lands Agriculture to Rural Residential. 66

The difficulty the Board faces in addressing the County's decision to de-designate the Schwarz properties in 2008, is that there is a dearth of analysis in the record. Rather, the County merely concluded that a mapping error had been made in 1998 and agreed to take action to "correct" that error. As stated above, the County's Prehearing Brief merely reiterated a condensed version of its argument in support of its motion to dismiss. While Schwarz argued their properties do not qualify as agricultural land, there is very little analysis of that issue in the record. The record evidence indicates that the three Schwarz

32

<sup>66</sup> Exhibit 13, pg. 1.

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 22 of 32

Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 103 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0260

Fax: 360-664-8975

Western Washington

<sup>&</sup>lt;sup>64</sup> Order Denying Motions to Dismiss, April 23, 2009.

<sup>&</sup>lt;sup>65</sup> Id at 3.

properties total approximately 57 acres. The existing land use is agriculture. All three parcels are improved with a single family residence and the land is used and taxed at current use as farmland. It appears that approximately 66% of the land is prime farmland and is adjacent to a larger area consisting primarily of prime farmland.<sup>67</sup>

From the record, it appears quite likely that a mapping error was made in 1998 following the County's decision to de-designate. Unfortunately, the Comprehensive Plan maps were not changed. Additionally, the County adopted a revised Comprehensive Plan in 2007 and the Schwarz properties were again designated as agricultural land.

A de-designation of agricultural land decision must follow an analysis comparable to that for designation of such lands. That did not occur in relationship to the Schwarz properties. Neither was there any analysis of the viability of the agriculture industry, consideration of areas of agricultural use or the goal to maintain and enhance the agriculture industry, as discussed above in regards to the Warta properties.

**Conclusion:** The Petitioners have met their burden of proof. The Board finds in dedesignating the Schwarz properties from agriculture to rural, Clark County failed to consider areas devoted to agricultural use, the viability of the agriculture industry or the goal to maintain and enhance the agricultural-based industry and thus violated RCW 36.70A.020(2) and (8), RCW 36.70A.060 and RCW 36.70A.170.

#### **INVALIDITY**

Issue No. 3: Whether the Board should enter a finding of invalidity pursuant to the terms of RCW 36.70A.302 for substantial interference with the fulfillment of GMA goals? Petitioners request the Board find that the non-compliant sections of the challenged Ordinance be found to substantially interfere with the goals of the GMA. When the Board makes a finding of noncompliance, the Board may also find that the continued validity of

<sup>67</sup> Exhibit 13, pgs. 1-3. AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002 August 10, 2009 Page 23 of 32

part of a plan or regulation would substantially interfere with the fulfillment of the goals of the GMA. RCW 36.70A.302(1)(b). The effect of an invalidity finding is that any development permit application not vested before receipt of the Board's order by the County, "vests to the local ordinance or resolution that is determined by the board not to substantially interfere with the fulfillment of the goals of this chapter." RCW 36.70A.302(3)(a).

We have held that a test for imposition of invalidity is whether the continued validity of the challenged and non-compliant enactment would interfere with the fulfillment of the GMA's goals. <sup>68</sup> In this case, for the reasons noted *supra*, the Board has concluded that Clark County's adoption of Ordinance 2008-12-15, specifically the amendatory language of UDC 40.210.010, Footnote 9, and the de-designation of the Warta and Schwarz properties failed to comply with various provisions of the GMA.

The non-compliant development regulation (Footnote 9) substantially interferes with Goal 1<sup>69</sup> as it would potentially allow commercial/manufacturing type growth in an agricultural area, growth more properly allowed in an urban area where adequate public facilities and services exist. This regulation also interferes with Goal 2 which seeks to reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.<sup>70</sup> Finally, this regulation would substantially interfere with achievement of Goal 8, which seeks to maintain and enhance natural resource-based industries, in this instance the agricultural industry.<sup>71</sup> It also fails to encourage the conservation of productive agricultural lands, and encourages incompatible uses.<sup>72</sup>

The de-designation of the Warta and Schwarz properties substantially interferes with Goal 8's requirement to conserve productive agricultural lands in order to maintain the agricultural

<sup>&</sup>lt;sup>68</sup> Vinatieri v. Lewis County, WWGMHB Case No. 03-2-0020c (Compliance Order, Jan. 7, 2005).

<sup>&</sup>lt;sup>69</sup> RCW 36.70A.020(1).

<sup>&</sup>lt;sup>70</sup> RCW 36.70A.020(2).

<sup>&</sup>lt;sup>71</sup> RCW 36.70A.020(8).

<sup>&</sup>lt;sup>72</sup> RCW 36.70A.020(8).

AMENDED FINAL DECISION AND ORDER Case No. 09-2-0002

industry of Clark County, an industry that relies on this land for its continued existence as well as Goal 2's requirement to reduce sprawling, low-density development.

# **VI. FINDINGS OF FACT**

- Clark County is located west of the crest of the Cascade Mountains and is required to plan pursuant to RCW 36.70A.040.
- The Petitioners filed a timely Petition for Review (PFR) on February 12, 2009.
   The PFR challenged two provisions of Clark County Ordinance No. 2008-12-15 (Ordinance).
- The Challenged Ordinance, entitled Comprehensive Plan and UDC Amendments, was adopted December 16, 2008, and amended UDC section 40.210.010 and redesignated the Warta and Schwarz properties.
- 4. John and Georgiana Warta and Green Arbor Development, Inc. (Warta), Matthew and Denise Houghton (Houghton) and Richard W. Schwarz, Walter O. Schwarz, Jonathan and Victoria Schwarz (Schwarz Family) were granted the right to limited intervention.
- The Ordinance amended the County's UDC section 40.210.010, Forest,
   Agriculture, and Agricultural-Wildlife District table 40.210.010-1, footnote number 9 (Footnote 9).
- 6. Prior to the 2009 amendments, the language of Footnote 9 authorized "commercial uses supporting resource uses".
- 7. The original language of Footnote 9 referred to "commercial uses supporting resource uses, such as parking, first stage processing and processing which provides value added to resource products".
- 8. With the amendment, Clark County added language: "Facilities that repair, maintain, refurbish or manufacture component parts for equipment utilized <u>for agricultural</u>, forest and other resource based industries including wind, hydro and <u>solar generation</u> which is not included within the meaning or parameters of "parking, first stage processing and processing which provides value added".

- Some of the uses contemplated by Footnote 9 are agriculturally related while others are not.
- 9. None of the uses contemplated by the amendment to the Footnote 9 are limited to "accessory uses".
- 10. None of the uses contemplated by the amendment to the Footnote 9 are limited to uses and activities that "support, promote or sustain agricultural operations and production".
- 11. The Ordinance includes no requirement that the location, design, and operation of Footnote 9 uses not interfere with, and in fact support, the overall agriculture use of the property.
- 12. The Ordinance does not include any requirement that the Footnote 9 uses be consistent with the size, scale and intensity of the existing agricultural use of the property and the existing buildings on the site where they will be located.
- 13. The Ordinance does not include any requirement that the Footnote 9 uses be located within the general area developed for buildings and residential uses. The Ordinance does not include any requirement that the Footnote 9 uses limit the conversion of agricultural lands to no more than one acre.
- 14. The Ordinance does not include any requirement that the location, design, and operation of the Footnote 9 uses not interfere with, and in fact, support, the overall agricultural use of the property.
- 15. The repair, maintenance, refurbishment or manufacture of component parts for equipment utilized for forest and other resource-based industries, including wind, hydro and solar generation, would not support, promote or sustain agricultural operations and production.
- 16. The non-agricultural uses contemplated by Footnote 9 are unrelated to production of agricultural products.
- 17. The Ordinance also amended Clark County's 20 Year Comprehensive Growth Management Plan Map Designation and corresponding zoning maps for properties

- owned by Intervenors Warta and Green Arbor Development, Inc., as well as for properties owned by Intervenor Schwarz family.
- 18. The Comprehensive Plan and zoning map amendments changed the Warta and Schwarz properties from Resource Lands Agriculture (Ag-20) to Rural 5 (R-5). The Warta properties consist of three parcels totaling approximately 60 acres. Two of the Warta properties are improved with single-family residences and outbuildings, the third is unimproved.
- 19. Two of the Warta parcels, totaling 55 acres, currently support the grazing of cattle and qualify for a reduced tax assessment based on the agricultural use. Soil quality is low to moderately high, drainage varies from well-drained to poor, water capacity is moderate and permeability is moderate to very slow on the Warta properties.
- 20. The USDA Soil Conservation Service's survey classifies the soil type of the Warta properties as moderately productive. The soils are not classed as "prime" agricultural soil.
- 21. The Warta properties are in close proximity to areas developed for rural residences and the property is immediately adjacent to the recently expanded Washougal Urban Growth Area, an expansion which is now subject to appeal in the Court of Appeals.
- 22. The majority of the properties near the Warta properties, whether zoned R-5 or Ag-20, have been subdivided to 5 and 10 acre parcels. Notwithstanding the subdivision of properties in the area, lands to the North and East of the Warta properties are designated agriculture with Ag-20 zoning.
- 23. In order to preserve or foster the agricultural economy, a jurisdiction needs to focus on the agricultural industry as a whole.
- 24. The viability of the agricultural industry involves more than the mere conservation of land for production. There must be a significant base of land and production to support all of the agriculturally based businesses that are part of the industry,

- including processors, suppliers, shippers, cold storage plants, equipment repairers.
- 25. In combination, the lands, producers and support businesses constitute the agricultural economy.
- 26. Clark County's analysis focused almost exclusively on the land itself and failed to focus as well on the needs of the agricultural economy.
- 27. The Schwarz application in 2008 was processed as a request to re-designate their properties from Resource Lands Agriculture to Rural Residential.
- 28. Clark County concluded that a mapping error had been made in 1998 and agreed to take action to "correct" that error by adopting the Ordinance.
- 29. The only evidence in the record indicates that the three Schwarz properties total approximately 57 acres. The existing land use of the Schwarz properties is agriculture. All three parcels are improved with a single family residence and the land is used and taxed at current use as farmland. Approximately 66% of the land is prime farmland and is adjacent to a larger area consisting primarily of prime farmland.
- 30. Any Finding of Fact later determined to be a Conclusion of Law is adopted as such.

# **Findings of Fact - Invalidity**

- 31. With this Final Decision and Order, the Board has concluded Clark County, with the adoption of amendatory language set forth in UDC 40.210.010, Footnote 9, has failed to comply with the GMA.
- 32. Footnote 9 fails to comply with RCW 36.70A.020(1), .020(2), .020(8), .060, and .177.
- 33. Footnote 9 fails to comply with the GMA because it permits non-agricultural uses within agricultural lands which do not conform to the requirements for such uses set forth in RCW 36.70A.177.

- 34. With this Final Decision and Order, the Board has concluded Clark County, with the de-designation of the Warta and Schwarz Properties, failed to comply with RCW 36.70A.020(2), .020(8) and 36.70A.170.
- 35. The de-designation of the Schwarz properties failed to comply with the GMA because the County did not properly review the change in designation pursuant to the GMA's definition for agricultural lands.
- 36. With both de-designations, Clark County failed to review the agricultural viability of these lands in the context of the local agricultural industry.

### VII. CONCLUSIONS OF LAW

- A. The Board has jurisdiction over the parties to this action as provided in RCW 36.70A. 250(1)(c).
- B. The Board has jurisdiction over the subject matter of this action, as provided in RCW 36.70A.280(1).
- C. The Petitioners have standing to raise the issues in this case, as provided in RCW 36.70A.280(2).
- D. Petitioners have demonstrated that Clark County, with the adoption of amendments to UDC 40.210.010 as set forth in Footnote 9, has violated RCW 36.70A.020(1), .020(2), .020(8), 36.70A.060, and 36.70A.177.
- E. Petitioners have demonstrated that Clark County violated RCW 36.70A.020(2), .020 (8), RCW 36.70A.060,and RCW 36.70A.170 in de-designating the Warta properties.
- F. Petitioner has demonstrated that Clark County violated RCW 36.70A.020(2), .020 (8), RCW 36.70A.060, and 36.70A.170 in de-designating the Schwarz properties.

# Conclusions of Law - Invalidity

G. Pursuant to RCW 36.70A.302(1), the Board may enter a Determination of Invalidity upon finding a jurisdiction's action fails to comply with the GMA and that the

- continued validity of the action would substantially interfere with the fulfillment of the goals of the GMA.
- H. The Board has found Clark County, with the amendatory language contained in Footnote 9, failed to comply with the GMA.
- I. The non-compliant development regulation (Footnote 9), substantially interferes with RCW 36.70A.020(1) as it would potentially allow commercial/manufacturing type growth in an agricultural area, growth more properly allowed in an urban area where adequate public facilities and services exist.
- J. The non-compliant development regulation (Footnote 9) interferes with RCW 36.70A.020(2) which seeks to reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- K. The non-compliant development regulation (Footnote 9) would substantially interfere with achievement of RCW 36.70A.020(8), which seeks to maintain and enhance natural resource-based industries, in this instance the agricultural industry.
- L. The Board has found Clark County, with the de-designation of the Warta properties, failed to comply with the GMA.
- M. The de-designation of the Warta properties and the Schwarz properties substantially interferes with RCW 36.70A.020(2) by failing to reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- N. The de-designation of the Warta properties and the Schwarz properties substantially interferes with RCW 36.70A.020(8) by failing to encourage the conservation of productive agricultural lands so as to maintain the County's agricultural industry.
- O. Any Conclusion the Law later determined to be a Finding of Fact is adopted as such.

# VIII. ORDER

Based on the foregoing, Clark County is hereby ordered as follows:

- 1. Ordinance 2008-12-15 is remanded to the County to take action consistent with this Final Decision and Order.
- 2. Ordinance 2008-12-15 substantially interferes with fulfillment of the GMA goals and therefore the Board enters a Determination of Invalidity for the following provisions of the Ordinance:
  - A. Section 7, Subsection 3, page 7 of 8, Exhibit 24,(Clark County Unified Development Code 40.210.010 Forest, Agriculture and Agricultural-Wildlife District Table 40.210.010-1 (Footnote 9));
  - B. Section 3, Subsection 1, CPZ2006-00005 (Schwarz), (The Ordinance refers to Docket No. CPZ2006-00005. The Board assumes the correct Docket Number is CPZ2008-00005);
  - C. Section 2, Subsection 1, CPZ2008-00001 (Warta).
- 3. Clark County shall enact legislation to bring itself into compliance with the GMA as provided in this Amended Final Decision and Order in accordance with the following schedule:

Compliance Due	February 8, 2010
Statement of Actions Taken and Index to Compliance Record Due	February 22, 2010
Objections to Finding of Compliance Due	March 8, 2010
Response to Objections Due	March 22, 2010
Compliance Hearing	April 16, 2010

Entered this	10th	day	of	August,	2009.
--------------	------	-----	----	---------	-------

William P. Roehl, Board Member
James Mallamana Dagud Marahan
James McNamara, Board Member

Nina Carte	er, Board Me	ember	

Pursuant to RCW 36.70A.300 this is a final order of the Board.

Reconsideration. Pursuant to WAC 242-02-832, you have ten (10) days from the mailing of this Order to file a petition for reconsideration. Petitions for reconsideration shall follow the format set out in WAC 242-02-832. The original and three copies of the petition for reconsideration, together with any argument in support thereof, should be filed by mailing, faxing or delivering the document directly to the Board, with a copy to all other parties of record and their representatives. Filing means actual receipt of the document at the Board office. RCW 34.05.010(6), WAC 242-02-330. The filing of a petition for reconsideration is not a prerequisite for filing a petition for judicial review.

Judicial Review. Any party aggrieved by a final decision of the Board may appeal the decision to superior court as provided by RCW 36.70A.300(5). Proceedings for judicial review may be instituted by filing a petition in superior court according to the procedures specified in chapter 34.05 RCW, Part V, Judicial Review and Civil

Enforcement. The petition for judicial review of this Order shall be filed with the appropriate court and served on the Board, the Office of the Attorney General, and all parties within thirty days after service of the final order, as provided in RCW 34.05.542. Service on the Board may be accomplished in person, by fax or by mail, but service on the Board means actual receipt of the document at the Board office within thirty days after service of the final order.

Service. This Order was served on you the day it was deposited in the United States mail. RCW 34.05.010(19).